

BEFORE  
THE PUBLIC SERVICE COMMISSION OF  
SOUTH CAROLINA  
DOCKET NO. 95-862-C - ORDER NO. 96-102 ✓  
FEBRUARY 22, 1996

IN RE: BellSouth Telecommunications, Inc. ) ORDER  
DBA Southern Bell Telephone and ) RESCINDING  
Telegraph Company - Investigation ) LANGUAGE  
of Level of Earnings. )

This matter comes before the Public Service Commission of South Carolina (the Commission) on the Motion of a Commissioner regarding rescission of certain language appearing in our Order No. 95-1757, dated December 29, 1995. On pages 42 through 43 of that Order, this Commission reduced intrastate access charges by \$12 million in areas deemed appropriate by BellSouth Telecommunications, Inc. (BellSouth) for BellSouth. As a part of this Order, interexchange carriers (IXCs) were required to flow through these access reductions to their customers. Interexchange carriers were then required to submit a plan and serve it on other parties to accomplish this for approval of the Commission.

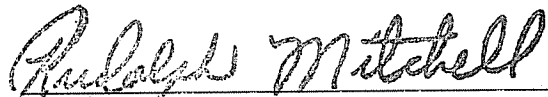
After examination and reflection, and consultation with Staff, the single Commissioner has moved for rescission of the language in Order No. 95-1757 which would require IXCs to flow through the access reductions to their customers, and the description of the procedure accomplishing this objective. The single Commissioner noted the concerns expressed by the Commission

Staff involving the inability to enforce this language on all IXCs. Further, Staff expressed due process concerns since AT&T Telecommunications of the South, Inc. and MCI Telecommunications, Inc. were the only IXCs that were parties to the present Docket.

The Commission has examined this matter, and believes that the Motion of the single Commissioner should be granted. Whereas flow through of the access reductions to the customers by the IXCs is a worthy idea, we do not believe on reflection that we can enforce this notion on all IXCs in the context of this Docket. Therefore, the language on pages 42 and 43 requiring IXCs to flow through access reductions to their customers, and the matter of submission of a plan for approval by this Commission is rescinded as of the date of this Order.

This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:

  
Chairman

ATTEST:

  
Deputy Executive Director

(SEAL)

**Commissioner Warren D. Arthur, IV, dissenting:**

I respectfully dissent from the majority regarding the rescission of the language from Order No. 95-1757 requiring IXCs to flow through access charge reductions to their customers. I believe that the access charge reductions and the flow through of those reductions to the consumers of South Carolina were integrated with the other portions of Order No. 95-1757 and that it is wrong to modify one rate issue now without reviewing the other related rate issues. To remove the flow through of access charge reductions without reviewing the other rate issues is to deny the consumers the benefit of a reduction of access rates that was approved in Order 95-1757 and could substantially change the overall effect of the Order.

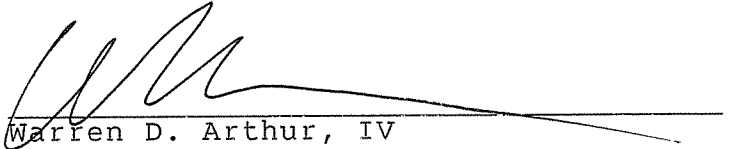
Based on access charges paid to BellSouth, AT&T and MCI carry in excess of 75% of the long distance traffic from BellSouth customers. As parties to this proceeding, I believe the Commission could, and should, require AT&T and MCI to flow through the access charge reductions to the customer. I further think that the Commission should, at a very minimum, ask all IXCs operating in South Carolina to flow through the access reductions to their customers. I also think that the Commission should consider another proceeding, with all IXCs in South Carolina named

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as parties, in which the issue of the flow through of access  
charge reductions would be addressed.

Respectfully submitted,

A handwritten signature in black ink, consisting of stylized, overlapping loops and a long horizontal stroke extending to the right.

Warren D. Arthur, IV  
Commissioner, Sixth District